

Information Request DTE-1-7

Please refer to the Filing Letter at 1, which states that research efforts in determining the viability of a “green” product option included an evaluation of other utility offerings from around the country.

- A. List and describe the green product options offered by utilities from around the country.
- B. Provide the Company’s evaluation of the utility green product offerings from around the country.

Response

The Company researched the following utility and municipal “green” program offerings:

Sacramento Municipal Utility District

Greenenergy – 50 percent and 100 percent options. The content is 80 percent from landfill, with the remaining content from wind, hydro, and geothermal sources. The program offers a flat price of \$3/month and \$6/month respectively. Between 1997-2001, 3.9 percent of residential customers enrolled.

Madison Gas & Electric (“MGE”)

11.2 MW wind farm owned and operated by MGE. The program offers a 100 percent option only at a 3.33 cent per kilowatt-hour (“kWh”) premium. The program was 100 percent subscribed prior to project completion with 50 customers on waiting list. The total subscription for the program is 5,000 customers or 4.5 percent.

Omaha Public Power District

The Omaha Public Power District owns and operates a 660 kW turbine and landfill gas facility. It offers “support, promoter, patron and sponsor” levels to residential customers for between \$4.50 and \$30/month (flat fee). It also offers commercial and industrial customers 25 percent, 50 percent and 100 percent options at 0.75, 1.5 and 3.0 cents per kWh respectively (premium). The program has 1 percent of residential customers signed up after the first year.

Austin Energy

GreenChoice – The program offers a 100 percent option for a 10-year contract. The energy price is fixed at 2.85 cents/kWh. The program started in 2001.

Alliant Energy

Second Nature – The program offers 25 percent, 50 percent, and 100 percent options for 0.50, 1.00 and 1.85 cents per kWh respectively.

Los Angeles Department of Water & Power

The Los Angeles Department of Water & Power sells individual RECs to consumers with an 80 percent hydro 20 percent “other” green mix. The program has 4.6 percent participation.

Wisconsin Electric

Energy for Tomorrow – The program offers 25 percent, 50 percent, and 100 percent options for 0.51, 1.02 and 2.04 cents per kWh respectively, although such prices are from 1996. The program has 1.5 percent participation as of 2003.

Idaho Electric

Idaho Electric offers wind and solar power in blocks. The size of the block is determined by customer. The cost is 1.25 cents per kWh. The program has 0.5 percent participation.

Niagara Mohawk

Offering a hybrid program where customers purchase RECs directly from suppliers and then reconciles those RECs to the customer’s electricity usage purchased from the utility. The program has 0.64 percent enrollment.

NGRID

GreenUp – This program is the same program as Niagara Mohawk with 1,300 customers enrolled to date.

Each utility serves a different demographic. Deregulation, cost for basic service, cost for green service, understanding and acceptance to technologies vary across these demographics and therefore it is not accurate to evaluate these programs individually. The most common programs are percentage-based programs run by utilities. Most of these have multiple percentage-based offerings. The Company did not discover any documented data on these to determine the success of any of

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these options. However, the Company determined from the Chartwell report (see Attachment DTE-1-7, at 49), that participation in programs with higher prices for customers dropped off dramatically over time.